

# Doha Bank Q.P.S.C. H1 2021 Investor Presentation

29 July 2021

## Disclaimer

Our discussion may include forward-looking predictions and or expectations.

While these forward-looking statements represent our current judgment on what the future holds for the Bank, they are subject to risks and uncertainties that could cause actual results to differ materially.

You are cautioned not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of this presentation.

Please keep in mind that we are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements considering new information or future events.

Throughout the discussion, we will attempt to present some important factors relating to our business that may affect our predictions.

A copy of our press release and financials can be viewed and downloaded on the Bank's website at [Dohabank.qa/investor](http://Dohabank.qa/investor)

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# 1 Macroeconomic Update

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## **Qatar State Budget for 2021 shows strength**

### **Headlines**

- Revenue is anticipated to reach QR160.1 Bn based on an average oil price of USD 40 per barrel
- Expenditure is estimated at QR194.7 Bn
- The Budget deficit is estimated at QR34.6 Bn
- A total of QR72.1 Bn is allocated for Major Projects
  - \* The State continues the work on general projects as per existing strategies and plans.
  - \* The Budget continues to focus and prioritize spending on Infrastructure projects, housing projects for nationals, health and education.
- Qatar to cover 2020 deficit by funds available from previous debt issuances

QATAR	QR Bn						
	Fiscal					Budget	Chg Pct
	2016	2017	2018	2019	2020 <sup>(1)</sup>	2021	Y-O-Y %
<b>Total Revenue</b>	<b>170.9</b>	<b>163.3</b>	<b>207.9</b>	<b>214.7</b>	<b>170.5</b>	<b>160.1</b>	<b>-6.1%</b>
Oil & Gas	140.7	133.0	173.1	170.0	132.0	121.6	-7.9%
Other Revenues	30.1	30.3	34.8	44.8	38.5	38.5	0.0%
<b>Total Expenditure</b>	<b>221.7</b>	<b>203.3</b>	<b>192.8</b>	<b>208.4</b>	<b>182.2</b>	<b>194.7</b>	<b>6.9%</b>
Salaries and Wages	59.2	53.1	55.7	61.4	57.5	57.9	0.7%
Other Current Expenditure	59.8	60.2	55.5	62.7	57.8	60.7	5.0%
Minor Capital Expenditures	3.9	3.9	3.8	4.1	3.5	4.0	14.3%
Major Projects	98.7	86.1	77.8	80.2	63.4	72.1	13.7%
<b>Balance Surplus/ (Deficit)</b>	<b>(50.8)</b>	<b>(40.0)</b>	<b>15.1</b>	<b>6.3</b>	<b>(11.7)</b>	<b>(34.6)</b>	<b>-</b>

Source

(1) Expected as stated in State Budget disclosure for 2021

# Qatar commits to North Field Expansion

## Q2 Headlines

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- **Qatar's Liquefied Natural Gas (LNG) expansion project has evoked a huge response from global energy companies.**  
Several major players in the field of energy including Royal Dutch Shell PLC, Total Energies SE and ExxonMobil Corporation have submitted bids to partner on the LNG expansion project. Qatar Petroleum has received offers for double the equity available to potential partners in the bidding process for the North Field East project. The expansion project is unique in the LNG world because of its advanced environmental characters, including significant carbon capture and sequestration capacity. The country has embarked on an ambitious LNG capacity expansion plan. (Peninsula Qatar)
- **Qatar sees gas demand peaking around 2040, much later than IEA**  
– Natural gas giant Qatar Petroleum predicted global demand for the fuel will continue to climb for almost two decades, making it far more optimistic than the International Energy Agency. QP expects consumption to grow at a rate of 1.5% a year, driven higher by economic growth and a broad shift away from dirtier-burning coal, according to a bond prospectus seen by Bloomberg. It sees demand peaking around 2040, roughly 15 years later than forecast by the IEA. The Paris-based IEA, an adviser to most major economies, expects gas demand to peak in the mid-2020s, according to its Net Zero by 2050 report published in May. By mid-century, gas use will be 55% lower than in 2020, it said. (Bloomberg)



- **Qatar Petroleum grabs USD 12.5 Bn in emerging market bonds record**
  - A document showed, its first public bond sale and the biggest issuance out of emerging markets this year. QP tightened the spreads across all four tranches by 30 basis points (bps) after combined orders topped USD 41 Bn, the document from one of the banks on the deal showed. QP sold USD 1.5 Bn in a five-year portion at 50bps over US Treasuries (UST), USD 3.5 Bn in 10-year paper at 90 bps over UST, USD 3.5 Bn in 20-year notes at 3.15% and USD 4 Bn in 30-year Formosa bonds at 3.3%. The bonds landed roughly 10-15bps wider than the sovereign's curve. The company's last dollar sale was in 2006, when it raised USD 650 Mn, according to data compiled by Bloomberg. The debt will help the Persian Gulf state pump more gas from the giant North Field that extends into Iran's waters. Qatar is planning to spend USD 29 Bn to lift production of LNG to 110 Mn tons per annum by 2027 from 77 Mn tons. (Bloomberg, Reuters)

# Stable economic position

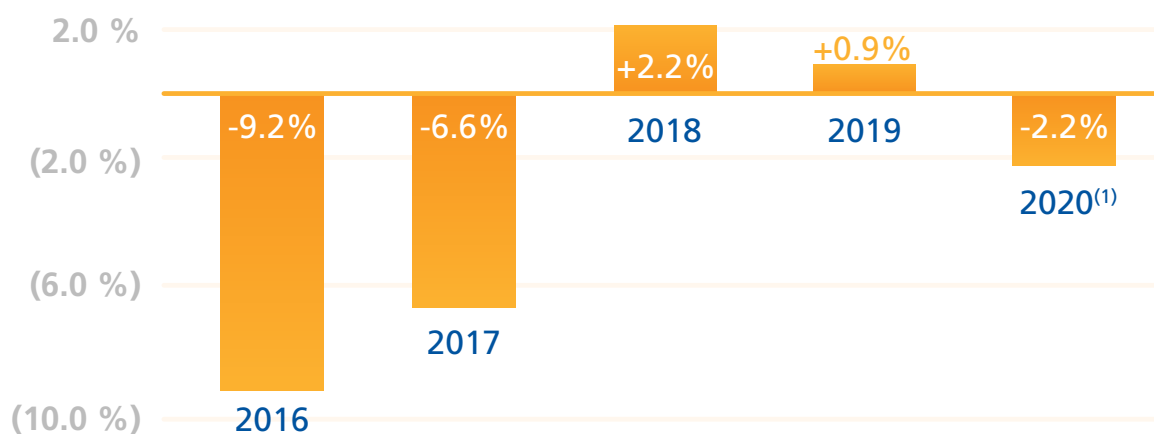
Sovereign rating	Moody's Aa3/ S&P AA-/ Fitch AA-
Post 'blockade' resolve	Maintained ratings with Stable Outlook
Gas reserves <sup>(1)</sup>	Qatar has the 3rd largest reserves of natural gas in the world, totaling 24.7 trillion cubic meters
Oil reserves <sup>(1)</sup>	25.2 Bn barrels of proven oil reserves
Hydrocarbon growth <sup>(2)</sup>	+3.5% in 2021 Vs -3.0% for 2020
Non-Hydrocarbon growth <sup>(2)</sup>	+1.0% in 2021 Vs -2.3% for 2020
Projected real GDP growth	+2.2% in 2021 Vs -2.6% for 2020 <sup>(2)</sup> +2.4% in 2021 Vs -4.5% for 2020 <sup>(4)</sup>
Inflation rate <sup>(2)</sup>	+2.1% in 2021 Vs -1.3% for 2020
Population <sup>(2)</sup>	2.50 Mn June 2021
GDP per capita, current prices (PPP) <sup>(4)</sup>	Projected USD97,260 for 2021
Government fiscal position <sup>(3)</sup>	Estimated fiscal deficit of QR (34.6) Bn in 2021
Significant future government and infrastructure spending	Significant investments in the run up to hosting the 2022 FIFA World Cup, 2030 Asian Games and achieving the 2030 Qatar National Vision
Currency	Pegged to the US Dollar since 1980

## Sources / Notes

1. British Petroleum Statistical Review of World Energy June 2021
2. Qatar Planning and Statistics Authority
3. Qatar State Budget 2021
4. IMF 2020 revised forecast in April 2021



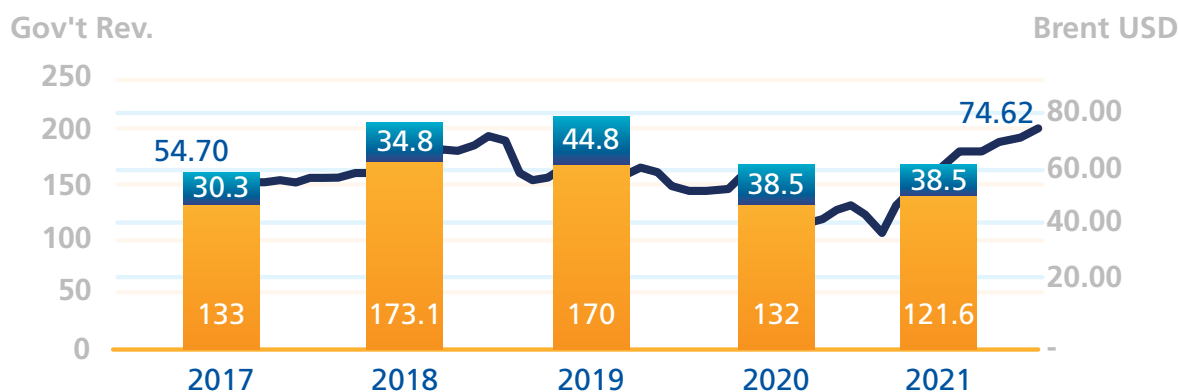
## Government fiscal surplus/deficit (% nominal GDP)



### Sources / Notes

(1) QCB Annual Reports, and for 2020 estimated as per forecast of Qatar Planning and Statistics Authority

## Government revenues (QR Bn)



■ Oil & Gas revenues

■ Miscellaneous Transferable Revenues  
- Brent Crude Oil Price (USD / bbl)

### Sources / Notes

- Qatar State Budget Disclosures
  - Oil & Gas revenue includes investment revenue transferred from Qatar Petroleum
- Brent Crude Oil monthly closing price: Bloomberg – 30 December 2016 – 30 June 2021

# Ongoing diversification of the national economy backed by deep natural gas reserves

## Major projects in 2021<sup>(1)</sup>

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Estimated projects value of QR 72.1 Bn or c.USD 20 Bn

Main sector allocations:

- QR 21 Bn for Municipality and Environment
- QR 17.3 Bn for Defense and Security
- QR 7.4 Bn for Transportation and Communications
- QR 4.0 Bn for Sports and Culture
- QR 1.6 Bn for Education
- QR 1.3 Bn for Health

Medium term to be awarded between 2021-2023

Estimated projects value of QR 54 Bn or c.USD 15 Bn

- QR 47.5 Bn Ashghal
- QR 6.4 Bn Other entities, i.e., Hamad Medical Corporation, Ministry of Municipality and Environment, Ministry of Transportation and Communications, etc.

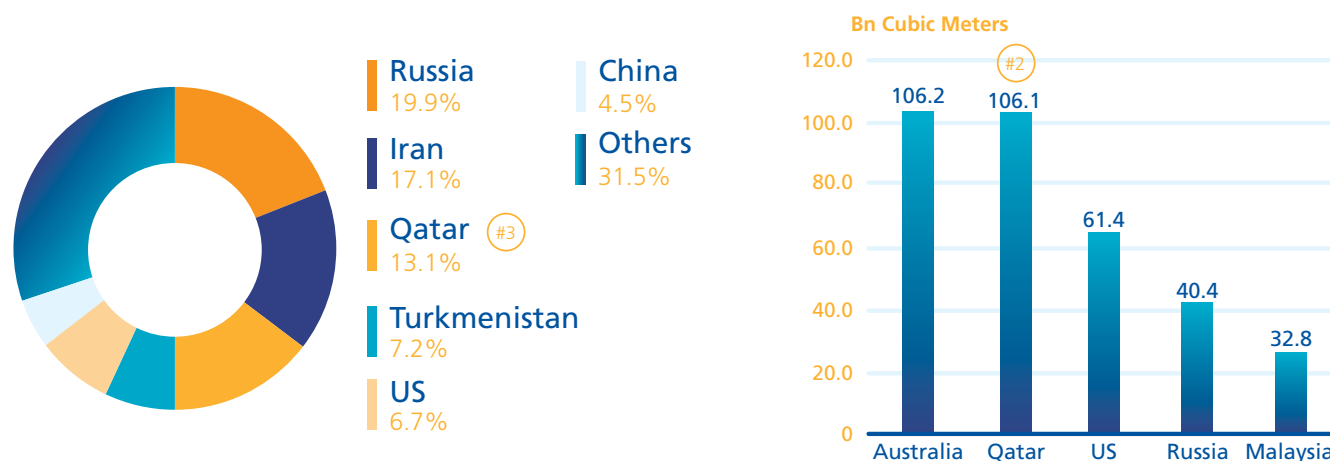
### Source

1. Qatar State Budget 2021
- 

**2022 FIFA World Cup** – it is projected that the FIFA World Cup' 2022 will draw around half a million visitors, circa 19% of Qatar's current population

**2030 ASIAN GAMES**

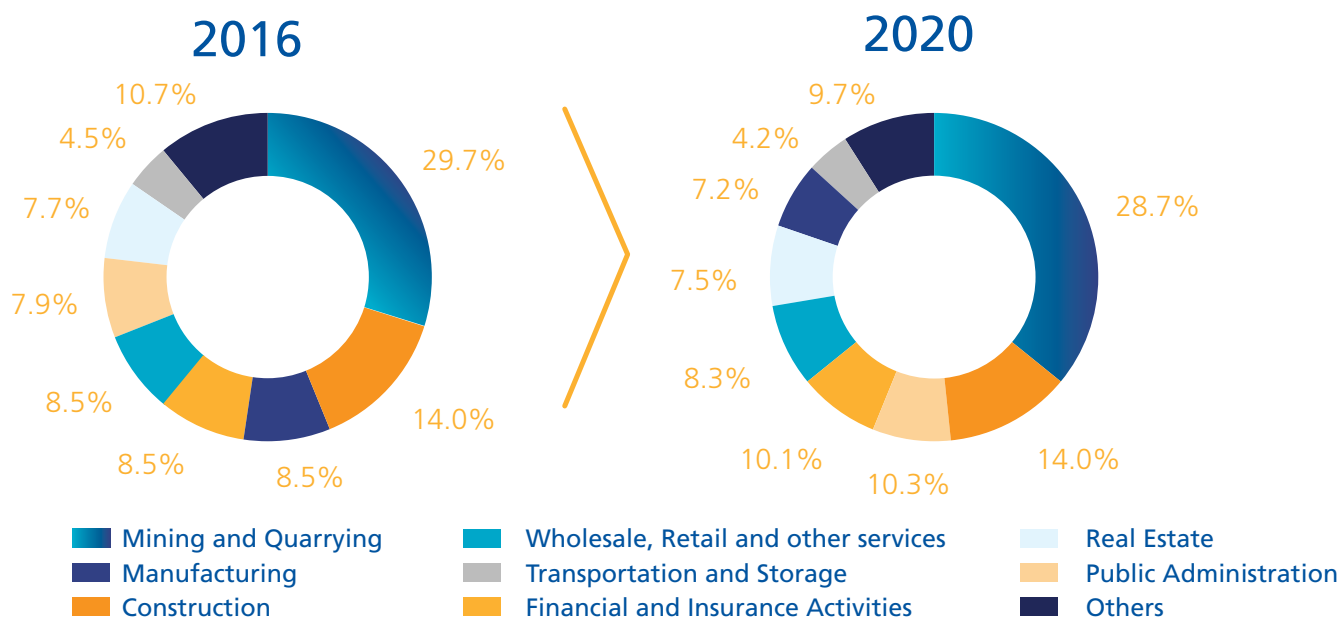
## 3<sup>rd</sup> largest reserves and 2<sup>nd</sup> largest exporter of natural gas



### Source

British Petroleum Statistical Review of World Energy (June 2021)

## Development of GDP composition (current prices) 2016-2020<sup>(1)</sup>



### Source

1. Qatar Planning and Statistics Authority

# 2 Doha Bank Overview

## COVID-19 response

When cases of COVID-19 infection appeared, Qatar issued a package of policies to contain the virus and its effect on public health and a package of economic measures to mitigate its negative repercussions on the Qatari economy, including a support program implemented by the QCB for affected sectors.



### Support Program

The State of Qatar has seen the number of positive cases start to decrease again. Qatar has had a high rate of infection from COVID-19; the total number of deaths reported is 590 as of 30 June 2021.

**The support program** mainly encompasses the following:

- Deferral of loan installments for affected sectors;
- Maximum rate to be charged during the deferral of instalment period to be capped at 2.5%;
- Zero-cost repo facilities for banks meeting the criteria; and
- Point of sale and ATM withdrawal fees.

As part of QCB support program as detailed above, **Doha Bank has**

- Deferred payments for nine months on lending facilities for those companies that qualify as affected sectors. The payment reliefs are considered as short-term liquidity support to address the borrowers' potential cash flow issues.
- Enacted the payment reliefs by deferring installments during an eighteen-month relief period **(due to expire 15 September 2021)** with no additional costs borne by the customer.

The QCB has advised banks to extend new financing to affected sectors at reduced rates, which is to be supported by zero-cost repo facilities from the QCB, and extended guarantees from the government of the State of Qatar to local banks to support these affected sectors.



## 5Rs Strategy

In the wake of the coronavirus pandemic, **Doha Bank has developed a 5Rs strategy model** to focus the Bank's response during the short term.

The 5 Rs stand for:

- Rationalization;
- Revenue enhancement;
- Restructuring;
- Remedial management; and
- Remodeling of business.

The Bank in 1Q21, successfully closed a bond transaction and agreed to a Term Loan Facility further strengthening its funding base.

The Bank had asset quality issues arise from the 'blockade' with reference to the GCC exposures. Post-blockade, the Bank is re-evaluating the business opportunities and its regional branch strategy and remodeling the same in line with current realities.

- Over the past couple of years, the Bank has taken a prudent approach in terms of scaling down GCC exposures. And locally, driving business traffic online to digital delivery channels and away from physical channels (e.g., branches), the pandemic has also highlighted the importance of digital innovation as part of building resilience and meeting the needs of the future.

### Coronavirus (COVID-19 Response)

*"Activated business continuity planning and other risk management practices to manage potential business disruption"*

- Founded in 1979
- Listed on the Qatar Exchange
- Full branch operations in Qatar, the UAE (Dubai & Abu Dhabi), India (Mumbai, Chennai & Kochi) and Kuwait
- Largest international network of representative offices among Qatari banks: China (Shanghai & Hong Kong), Canada, Turkey, Singapore, Germany, Japan, United Kingdom, South Korea, South Africa, Bangladesh, Australia, Sri Lanka and Nepal
- Brokerage and financial services associate in India
- Sharq Insurance Company, a 100%-owned insurance company in Qatar
- Client base of more than 441,000 customers(1)
- 24 domestic branches, 3 e-branches / 2 branch pay offices, 88 ATMs, and 1 mobile ATM

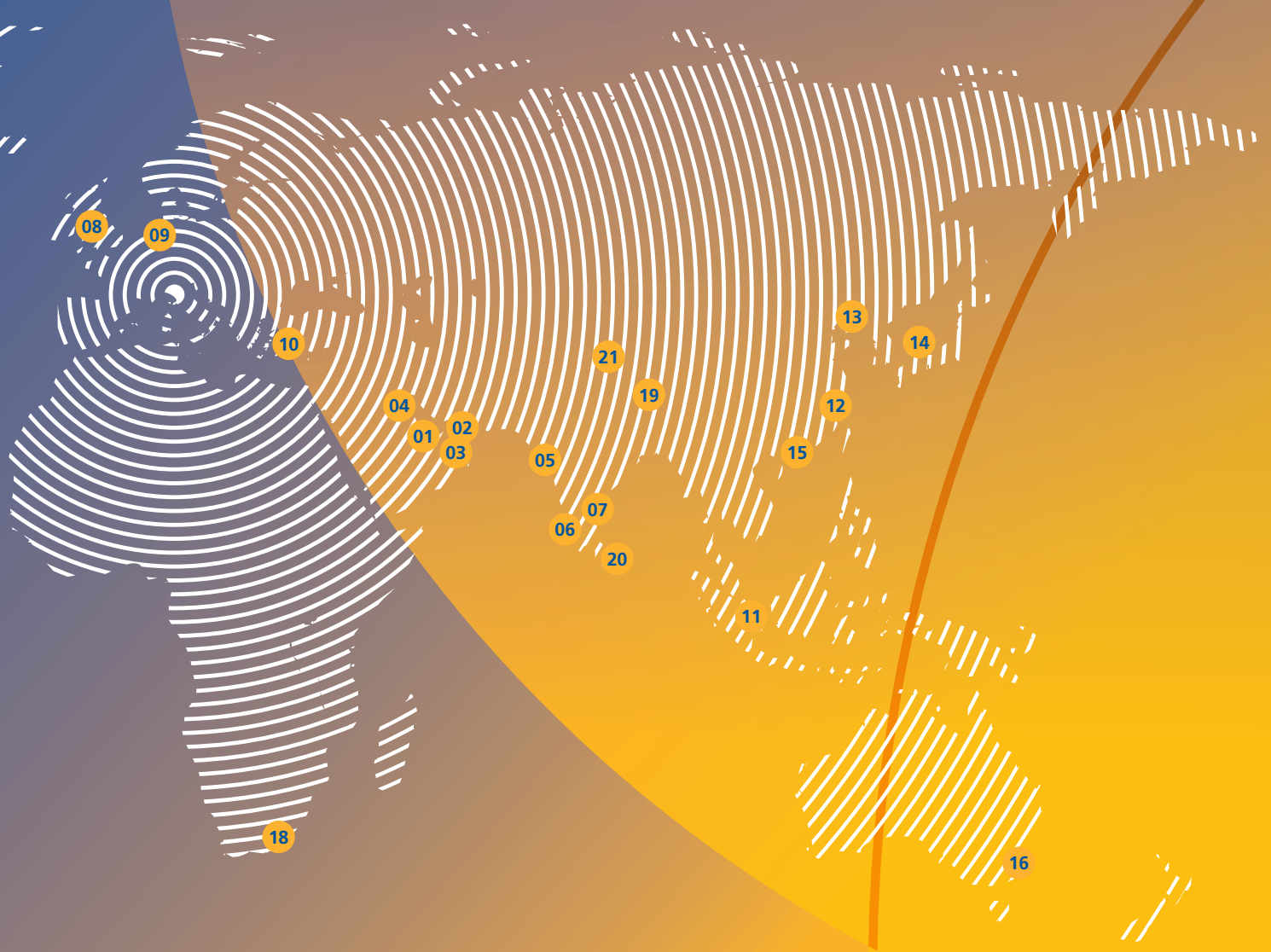
**Note**

1. Salaried, non-salaried and under Wages Protection Scheme ("WPS")

## Strong ratings profile underpinned by highly rated sovereign

Agency	Category	Ratings	Outlook
Doha Bank			
Moody's	Bank Deposit Ratings LT	Baa1	Stable
Fitch	Issuer Default Rating LT	A	Stable
Qatar Sovereign			
Moody's	Counter Party Risk LT	Aa3	Stable
Fitch	Issuer Default Rating LT	AA-	Stable
S&P	Counter Party Risk LT	AA-	Stable

# Doha Bank at a glance



- |    |                           |    |                                  |
|----|---------------------------|----|----------------------------------|
| 01 | <b>Qatar</b>              | 12 | <b>Shanghai-China</b>            |
| 02 | <b>Dubai-UAE</b>          | 13 | <b>Seoul-South Korea</b>         |
| 03 | <b>Abu Dhabi-UAE</b>      | 14 | <b>Tokyo-Japan</b>               |
| 04 | <b>Kuwait City-Kuwait</b> | 15 | <b>Hong Kong-China</b>           |
| 05 | <b>Mumbai-India</b>       | 16 | <b>Sydney-Australia</b>          |
| 06 | <b>Kochi-India</b>        | 17 | <b>Toronto-Canada</b>            |
| 07 | <b>Chennai-India</b>      | 18 | <b>Johannesburg-South Africa</b> |
| 08 | <b>London-UK</b>          | 19 | <b>Dhaka-Bangladesh</b>          |
| 09 | <b>Frankfurt-Germany</b>  | 20 | <b>Colombo-Sri Lanka</b>         |
| 10 | <b>Istanbul-Turkey</b>    | 21 | <b>Kathmandu-Nepal</b>           |
| 11 | <b>Singapore</b>          |    |                                  |

**Largest international network of representative offices among Qatari banks**

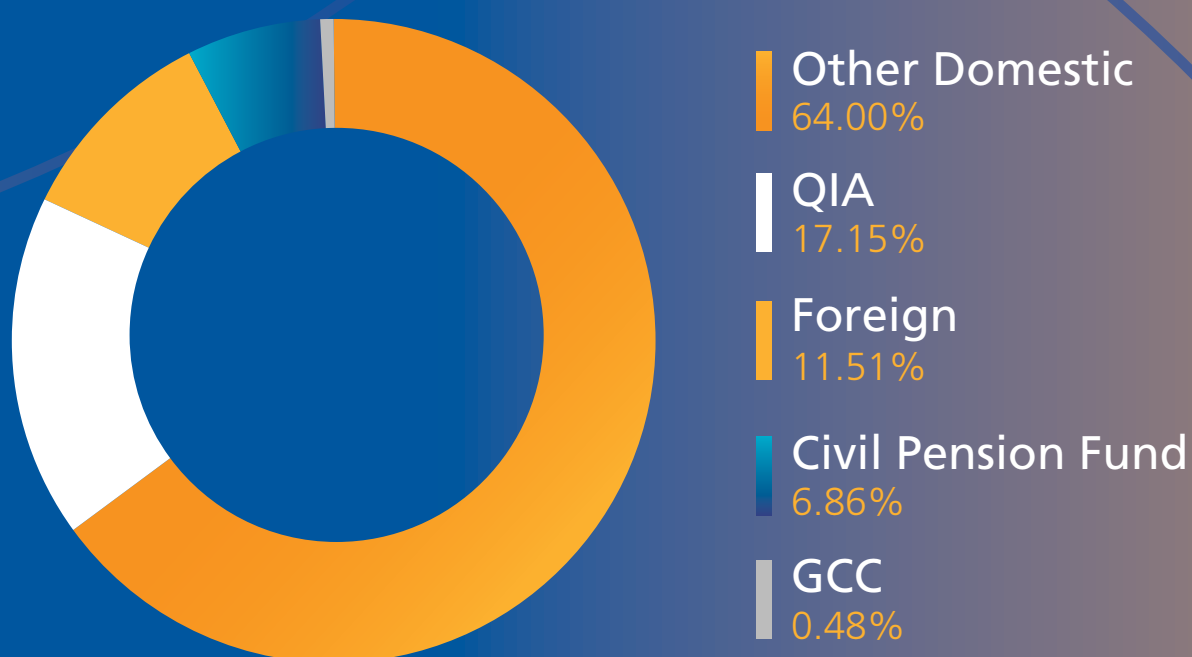


# Doha Bank Overview

## Share price and market capitalization

	Date	Value
Last Price	30 - Jun - 21	2.824
52 Week High	19 - May - 21	2.920
52 Week Low	01 - Jul - 20	2.079
Current Market	Qatari Riyals Mn	8,756
Capitalization	USD Mn	2,404

## Diversified shareholder base and strong support<sup>(1)</sup>



1. State of Qatar participation > 24% shared by QIA & General Retirement Social Insurance Authority via the 'Civil Pension Fund' (Qatar Central Securities Depository as on close 30 June 2021)



Key Ratios	2017	2018	2019	2020	2Q2021
Total equity to total asset	15.8%	13.3%	12.3%	13.3%	13.0%
Net loans to total asset	64.0%	62.3%	60.8%	63.2%	66.0%
Net loans to total deposit	100.6%	107.3%	112.5%	118.9%	122.1%
Non-performing loans	3.61%	5.84%	5.81%	5.98%	5.64%
Cost of Risk	1.00%	1.59%	1.78%	2.09%	1.55%
Cost to Income	37.4%	35.6%	33.6%	29.5%	27.8%
Net Interest Margins	2.50%	2.24%	1.98%	2.25%	2.44%
Risk Weighted Assets (QR Mn)	78,886	77,173	79,287	71,908	70,993
CET1 Ratio	12.30%	10.66%	11.53%	13.04%	13.22%
Tier 1 Ratio	17.37%	15.84%	16.58%	18.61%	18.85%
Capital Adequacy Ratio	17.51%	17.01%	17.75%	19.75%	20.00%

# Doha Bank strategy – Transformation with a clear path to growth



## Vision

To be recognized as the bank of choice in Qatar, delivering superior shareholder returns and an unparalleled customer experience.



## Mission

We strive to become a platform for innovative financial services, deliver superior customer experience through technology and innovation, and embrace of a wider partner ecosystem.



## Values

Performance with excellence, ethics, people, teamwork, quality, professionalism.



## Guiding principles

### **Customer Experience**

"Place the customer at the core of all we do and deliver a leading omni-channel experience"

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### **Empowerment and Accountability**

"Empower our employees to make decisions"

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### **Talent Management**

"Hire, train and retain best-in-class talent"

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### **Cost Reduction**

"Optimize costs to improve margins and efficiency"

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### **Revenue Enhancement**

"Enhance revenues through diversified sources of income"

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### **Risk and Capital Management**

"Protect our customers, our shareholders and our reputation through sound risk management"

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### **Digitization, Automation, and Innovation**

"Simplify, digitize and automate internal and customer-facing processes"

# Doha Bank is committed to Environmental, Social and Governance (ESG) Sustainable Practices

Doha Bank has published annual sustainability disclosure statements from 2009 onwards.

Since 2016, our sustainability reporting has been guided by the Qatar Stock Exchange (QSE) ESG reporting methodology.

We have increased the scope of our reporting to include all the metrics required by the GRI and QSE.

In addition, we support the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anticorruption.

It is important to note that sustainability in our approach to our business and stakeholders will be an important and ongoing part of long-term progress at Doha Bank, helping us build on our growth trajectory as a domestic, regional and international institution.





COMMUNITY MEMBER

2021



Achieved a score of 100% for the QSE Sustainable Stock Exchanges initiative for the years 2018 to 2021.

<http://qse.arabsustainability.com/>



FTSE4Good

As at 21 June 2021, Doha Bank held a FTSE ESG Rating of 2.60 out of 5.

Doha Bank became the first listed company on the Qatar Stock Exchange to be included in the FTSE4Good Index in November 2018.

Disclaimer: FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Doha Bank has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

MSCI  
ESG RATINGS



As at 5 May 2021, Doha Bank held an MSCI ESG Rating of BB.

CCC B BB BBB A AA AAA

Disclaimer: The use by Doha Bank of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI Logos, Trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Doha Bank by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

WE SUPPORT



Doha Bank has been disclosing to the UNGC since 2017, and the COP meets the GC Active & GC Advanced criteria.

<https://www.unglobalcompact.org/what-is-gc/articipants/-132027>  
Doha-Bank-Q-P-S-C-

# Doha Bank is structured in four Business Units and holds 100% of Sharq Insurance



## Wholesale

Focus on corporate and commercial banking, structured finance, public sector finance, mortgage finance and real estate services, trade finance, factoring services and small and medium enterprises

**Total income**  
30 Jun 2021  
(QR Mn)  
**1,236**

### Assets

30 Jun 2021  
(QR Mn)

**64,204**

58.7% of  
total assets



## Retail

Provides a wide range of products and services to individuals, including transactional and deposit accounts, mortgages, remittances, priority banking, private banking, insurance, personal loans and credit cards

**Total income**  
30 June 2021  
(QR Mn)  
**204**

### Assets

30 Jun 2021  
(QR Mn)

**5,190**

4.7% of  
total assets



## International

Provides a range of products and services including guarantees, letters of credit, risk mitigation and discounting products and risk participation in international trade

### Total income

30 Jun 2021  
(QR Mn)

**88**

### Assets

30 Jun 2021  
(QR Mn)

**4,756**

4.4% of  
total assets



## Treasury & Investments

Responsible for activities such as foreign exchange, treasury products and managing the Bank's proprietary investment book

### Total income

30 Jun 2021  
(QR Mn)

**518**

### Assets

30 Jun 2021  
(QR Mn)

**28,448**

26.0% of  
total assets



Established in 2007 as part of the Bank's strategy of creating a fully comprehensive financial services business, it provides general insurance products to corporate and retail customers

**Gross Written Premiums |**  
30 Jun 2021 (QR Mn)

**32**

# DIGITIZATION transactions have increased significantly

## Significant Growth in E-Commerce



- Online Payment Gateway (OPG) 2021 H1 YoY number of transactions has increased by 92%.
- OPG transaction volumes in H1 YoY has increased by 177%.

## Shift to Digital



- 86% of customer transactions are performed through digital and self-service channels (June 2021). The digital and self-service channels include online/mobile banking, ATMs, bulk cash deposit and cheque deposit machines.
- Active online and mobile banking users have increased by 29% in the last 2 years.

## Branch Transaction Off-loading



- Download IBAN Certificate, stamped and signed account statements through online and mobile banking.

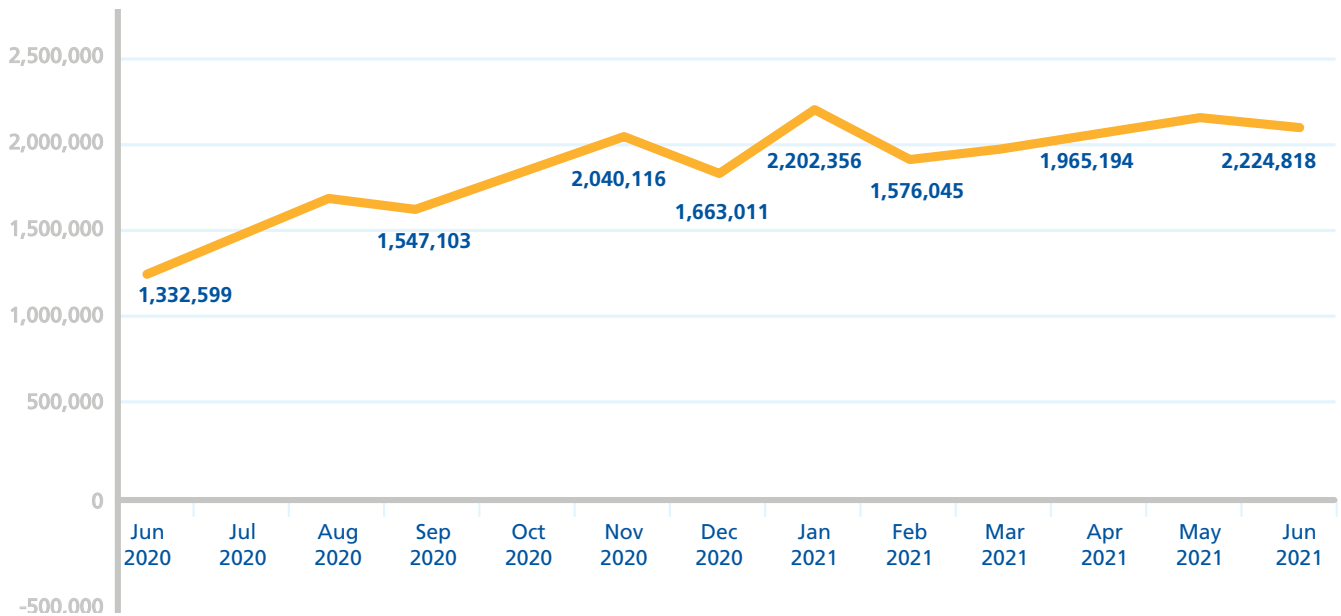
## Innovative Payment Solutions



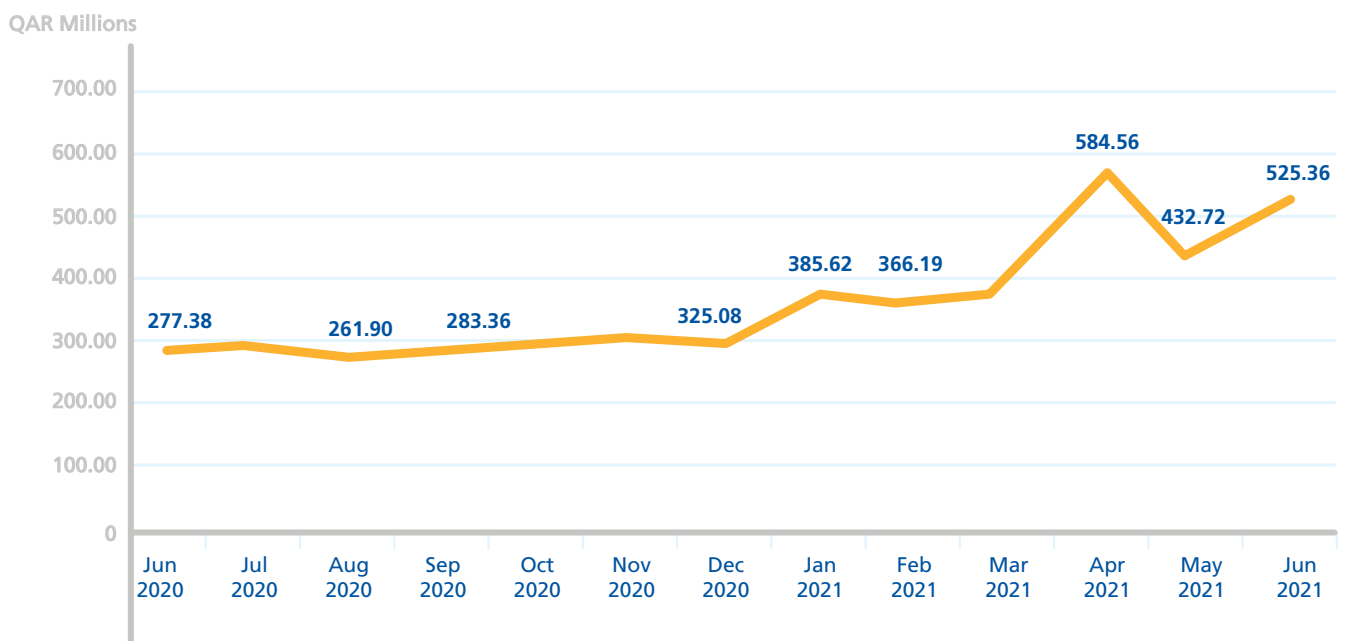
- Doha Bank is the first bank in the CEMEA region to implement Smarter STIP for DB VISA credit cards. Smarter STIP uses advanced AI to deliver a more seamless experience for consumers when service disruption affects the network.
- Launched 'Doha Pay' – Doha Bank's Digital Wallet to offer QR Code Payments at selected merchants, as well as (P2P) Person 2 Person money transfers.



## OPG Number of Transactions



## Total Transaction Volume



# Wholesale Banking – Digitization update

## Significant Growth in Online Transactions



- Local Funds Transfer – Online transaction ratio has improved from 59% to 78% YoY.
- International Funds Transfer - Online transaction ratio has improved from 20% to 46% YoY.

**This exponential increase is a function of 3 variables:**

1. increase in online penetration;
2. growth in overall throughput and volumes; and
3. implementation of the revised tariff of charges.

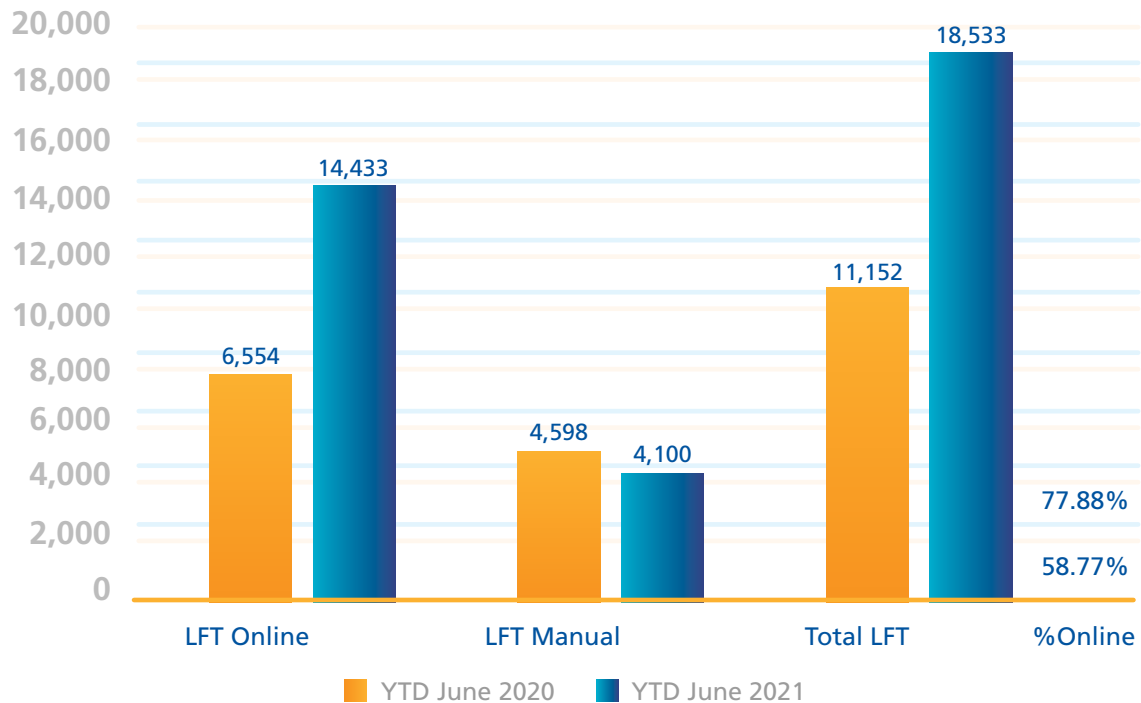
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## Other Digitization Updates

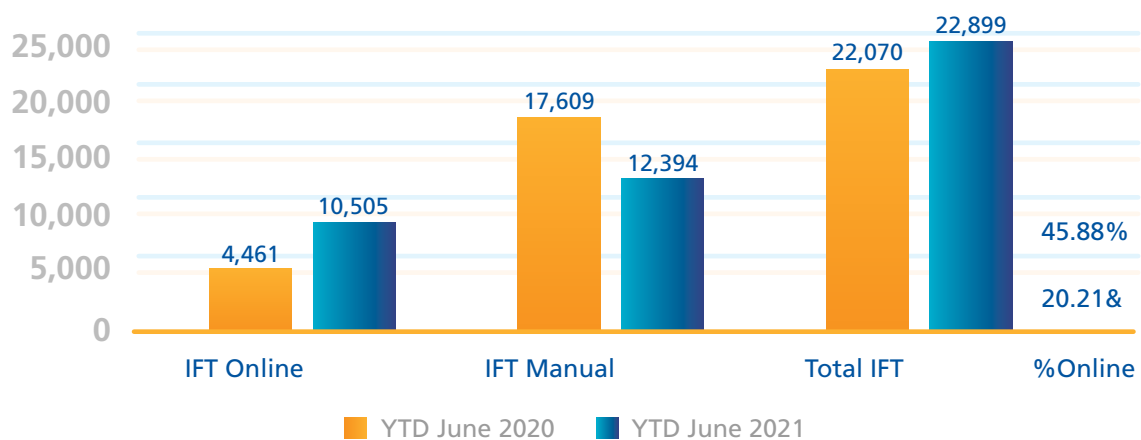


- 3 bulk cheque & cash deposit machines deployed at branches to support self-servicing model, another 2 machines in pipeline.
- Remote cheque deposit proposition currently under approval. This will give clients the option of depositing cheques from the comfort of their office.
- E-Trade is in final stages of UAT sign-off. Once deployed, clients would be able to initiate their LC and LG transactions online.
- Electronic forms for cash management and trade are currently under development. This will allow clients easier execution of their transaction applications.
- Several other initiatives are currently underway, aimed at automation, digitization, and facilitating clients with end-to-end solutions around their trade, payments and cash management requirements.

## Local Funds Transfer (LFT)



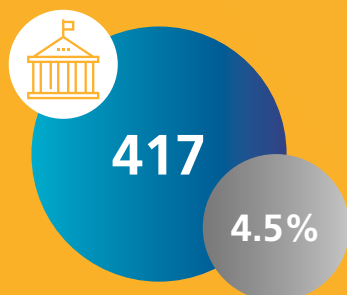
## International Funds Transfer (IFT)



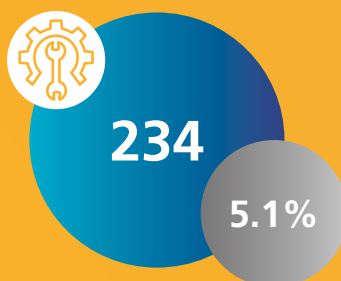
# Long-standing experience of lending in Qatar and good insights into key sectors

Loan market size (QR Bn) 'major sectors' and Doha Bank market share (%)

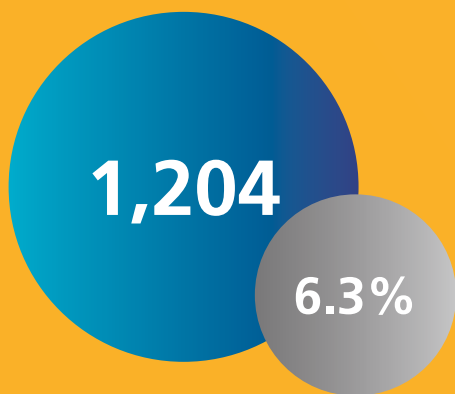
## Government Loans



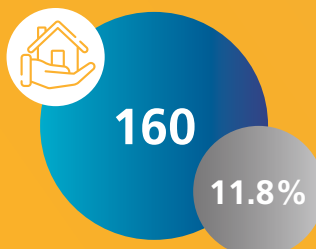
## Services<sup>(1)</sup>



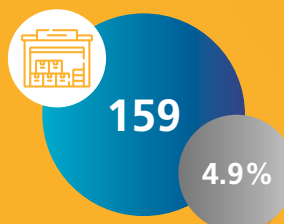
## Total Loans



## Real Estate Loans



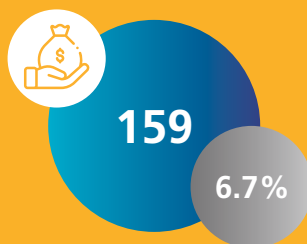
## Retail Loans



## Contract Financing



## Trade Loans



### Note

Includes Non-Banking Financial Institution

— Doha Bank market share as at 30 June 2021

— Loan market size as at 30 June 2021

### Source

QCB Banks Monthly Statements

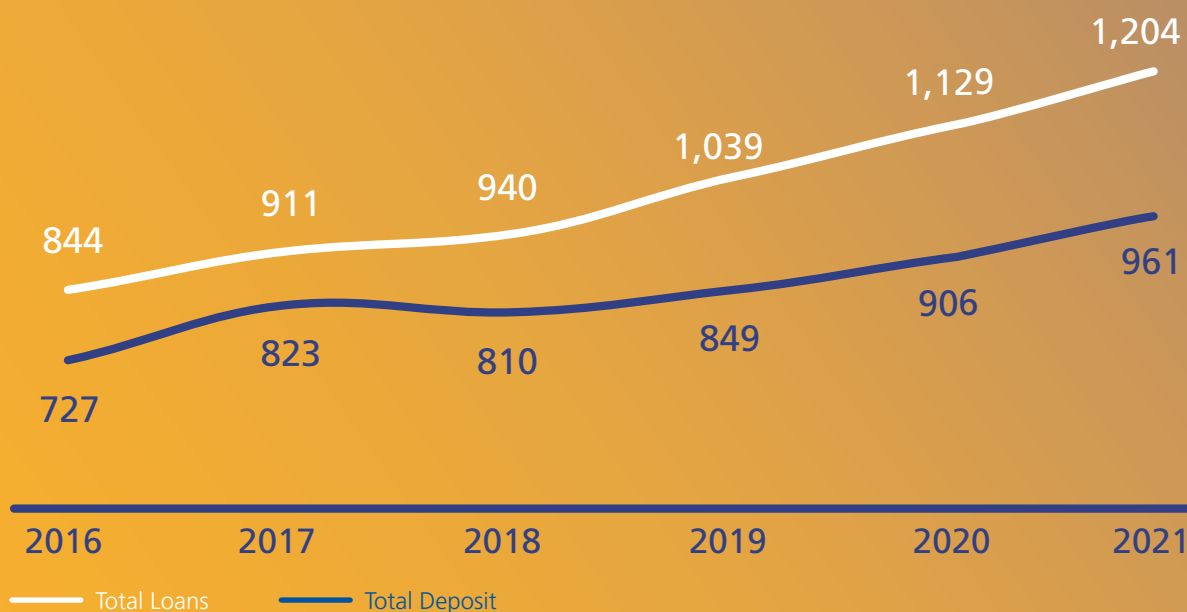
## Historical Loan market size (QR Bn) 'major sectors' and Doha Bank market share (%)

	Q2 2021		2020		2019		2018		2017	
	System	DB	System	DB	System	DB	System	DB	System	DB
Government Loans	417	4.5%	372	3.1%	334	2.2%	360	1.0%	315	1.6%
Services	234	5.1%	228	5.0%	209	5.6%	135	4.7%	125	5.4%
Real Estate Loans	160	11.8%	154	12.6%	149	12.3%	147	12.4%	135	10.8%
Retail loans	159	4.9%	148	5.3%	138	6.1%	124	7.2%	121	9.0%
Trade loans	159	6.7%	151	7.5%	136	9.5%	73	16.1%	72	13.4%
Contract Financing	41	13.9%	40	13.8%	37	27.2%	40	27.4%	40	26.5%
Total loans	1,204	6.3%	1,129	6.1%	1,039	6.8%	911	6.9%	844	7.3%

### Source

QCB Banks Monthly Statements

## Qatari banking system – total loans vs deposits (QR Bn)



### Source

QCB Quarterly Statistics Bulletin

# Key Credit Highlights

**1 | Well-established banking franchise with strong brand value on the back of 40+ year history**

**2 | Highly experienced Executive Management team**

**3 | Strong investment grade ratings profile underpinned by high probability of Qatari authorities' support**

**4 | Improved funding diversification during Q1 2021, with a 5-year bond issuance and a 3-year (+1-year option) Term Loan Facility.**

**5 | Clear sustainability and digital strategy**

**6 | High-quality securities portfolio comprising mostly of Qatari sovereign debt**

**7 | Solid capital position and healthy liquidity buffers**

# 3 Operational and Financial Highlights

## Financial Summary

Profitability (QR)	Jun-21	Jun-20	Chg Y/Y
Interest income	1,773	1,936	-8.4%
Interest expense	(504)	(864)	-41.7%
Net interest income	1,269	1,071	18.4%
Fees and commission	143	168	-15.0%
Foreign exchange gain	77	60	28.7%
Income from investment securities	53	91	-41.0%
Net income from insurance activities	2.5	8	-69.0%
Other income	20	8	153.9%
Staff cost	(229)	(229)	-0.3%
Non Staff cost	(206)	(219)	-6.2%
Net impairment loss	(512)	(456)	12.4%
Tax	(3.7)	(0.7)	398.9%
Net profit	614	501	22.7%

Source  
Company financials

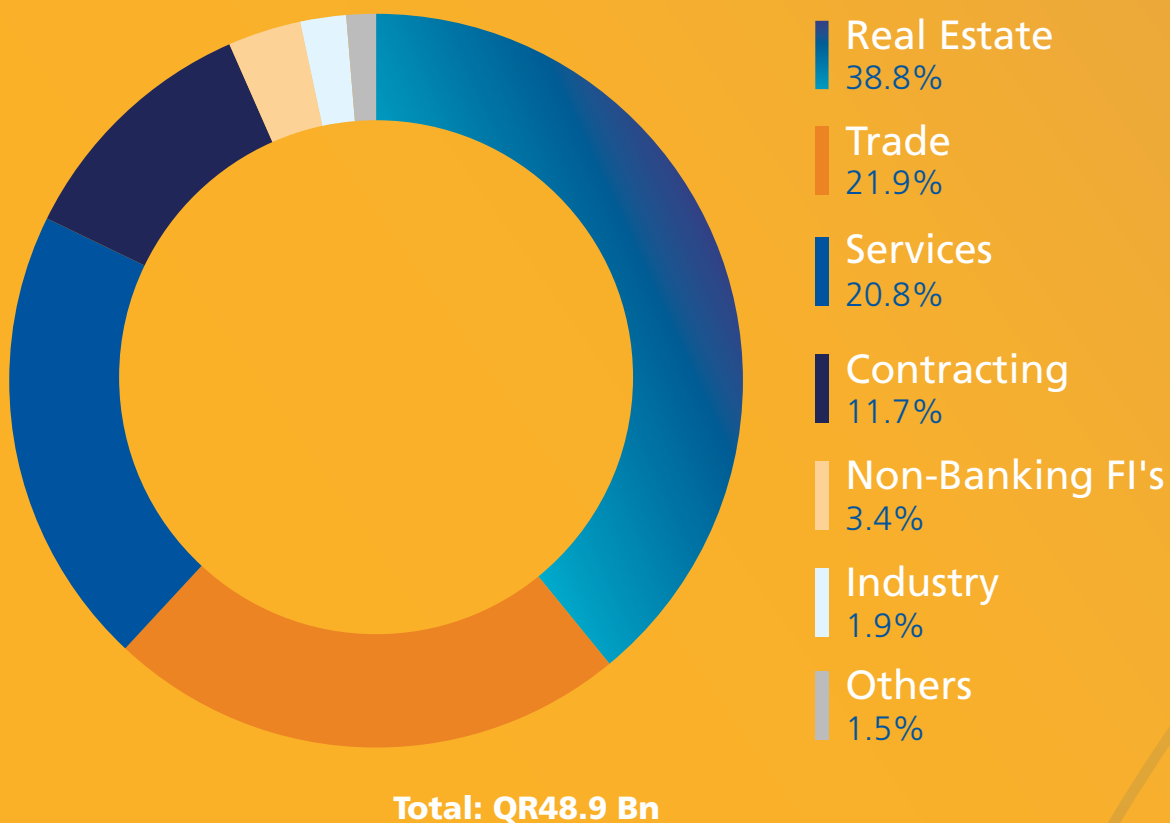
Assets and Liabilities (QR Mn)	30-Jun-21	30-Jun-20	Chg Y/Y
Total Assets	109,315	108,043	1.2%
Loans and Advances	72,169	62,475	15.5%
Investments Securities	23,572	26,626	-11.5%
Customer Deposits	59,113	56,024	5.5%
Total Equity	14,182	13,285	6.8%

Capital	30-Jun-21	30-Jun-20	Chg Y/Y
RWA (QR Mn)	70,993	76,495	-7.2%
CET 1 Ratio (%)	13.22%	11.26%	17.4%
T1 Ratio (%)	18.85%	16.49%	14.4%
Total Capital Ratio (%)	20.00%	17.65%	13.3%

Minimum regulatory ratios for 2020: CET1: 8.50%, Tier1: 10.50%,  
Total Capital Ratio 12.50%, ICAAP 1.00%, Management buffer 0.50%

# Corporate Banking

## Overview of the corporate banking loan book June 2021



### Comments

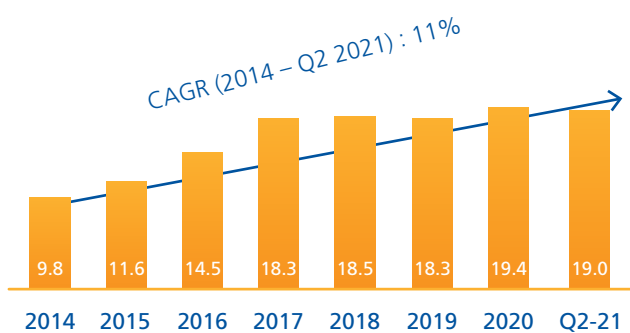


- A significant contributor to the total income of Doha Bank
- Evolved to be one of the core competencies of the bank and will be one of the major growth areas of the Bank
- Targets local and international companies
- Well-diversified portfolio focused on private sector

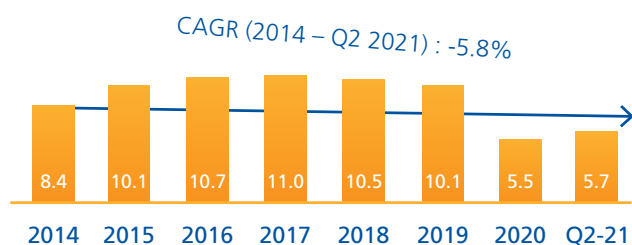




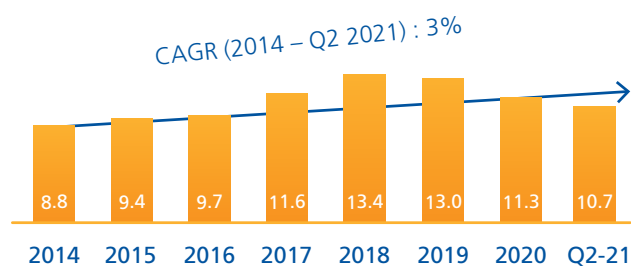
## Loans (QR Bn)



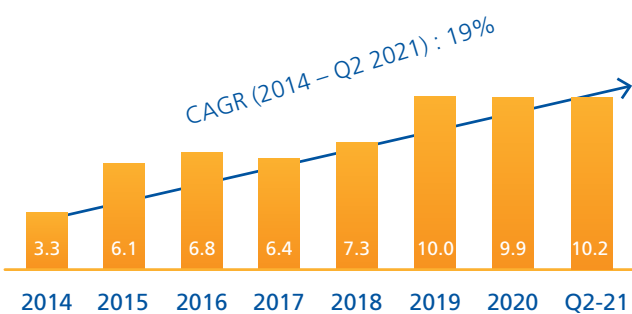
Real estate



Contract financing



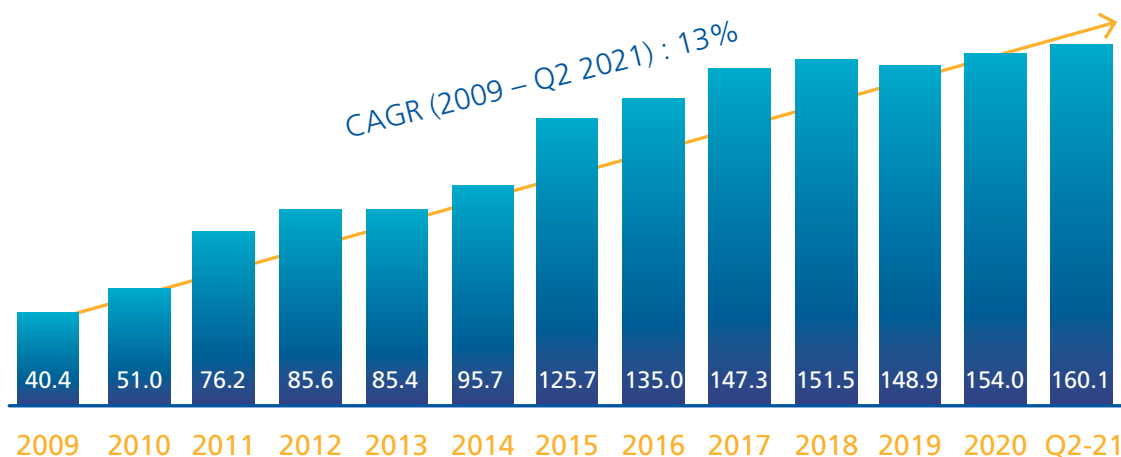
Trade



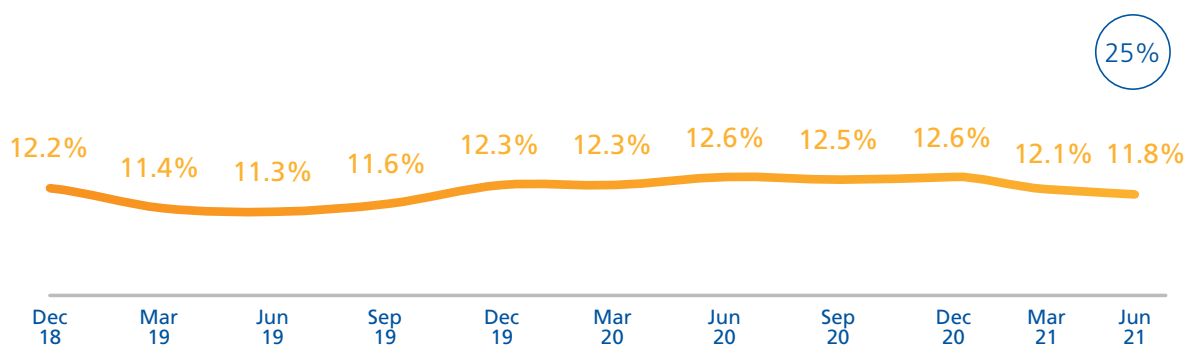
Services

# Real Estate

## Qatar market real estate loans (QR Bn)



## Real estate market share development

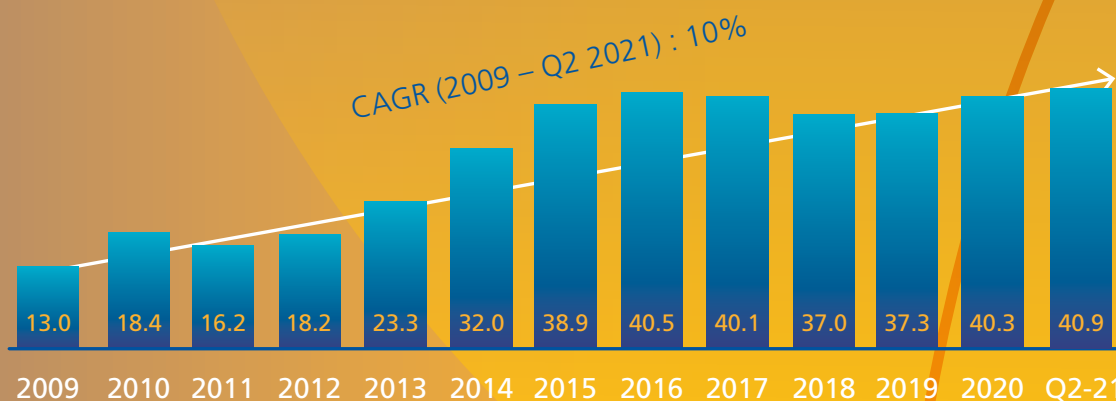


Market Share (%) of total June 2021 loans portfolio

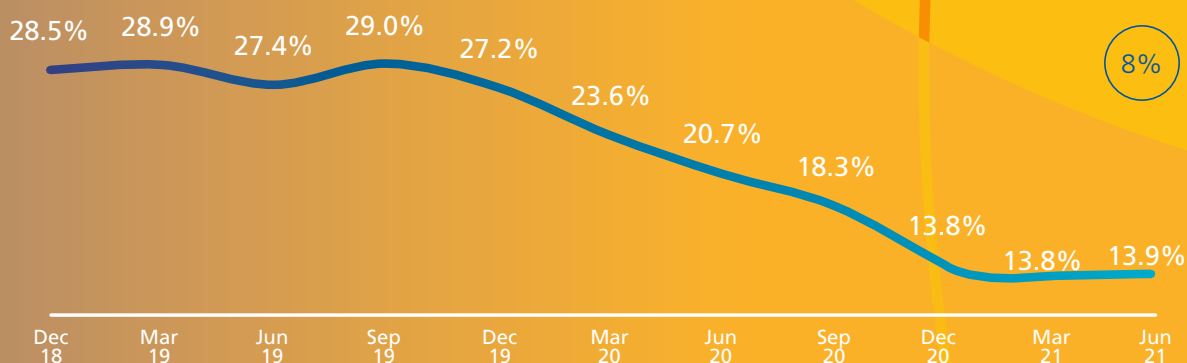
- Conservative regulatory environment with real estate lending limits well defined
- Loan portfolio is highly collateralized at circa 167%

# Contract Finance

## Qatar market contract financing loans (QR Bn)



## Contract financing market share development

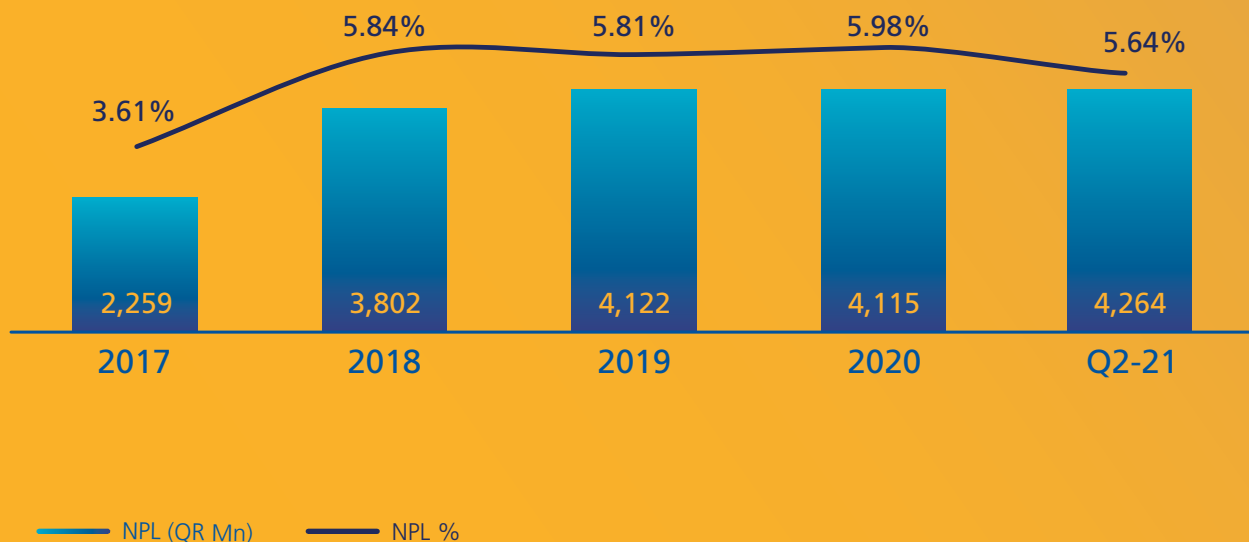


Market Share (8% of total June 2021 loans portfolio)

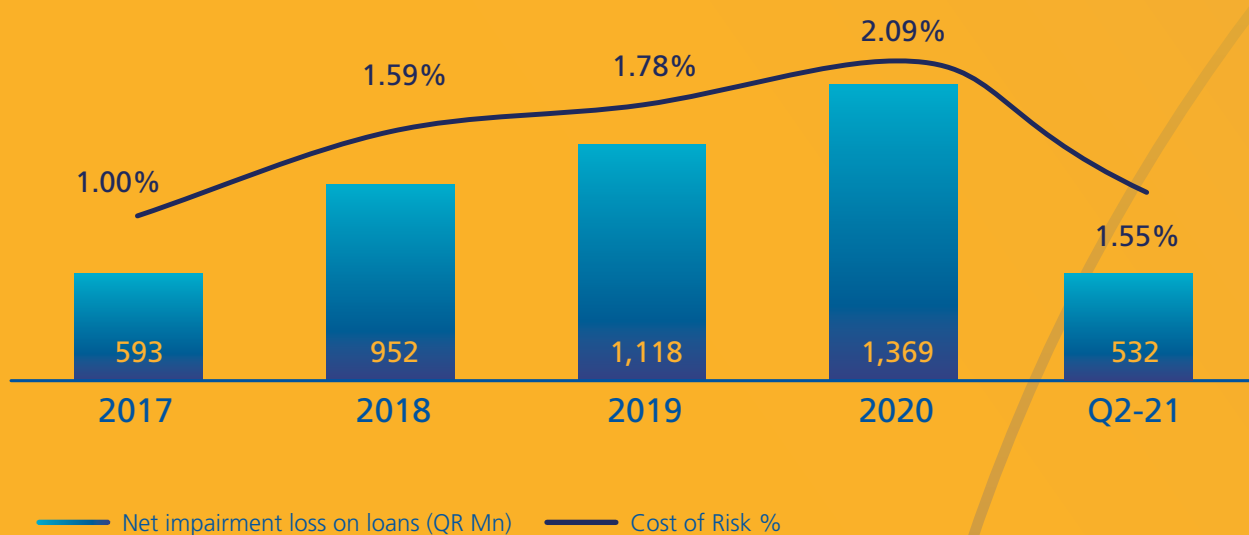
- Doha Bank is working diligently to mitigate risks and reduce exposure to the sector of Contract Finance

# Credit Quality

## NPL evolution



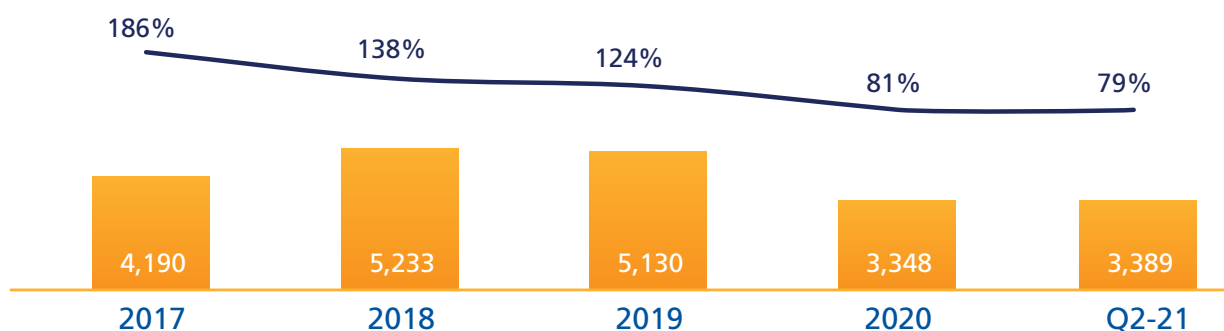
## Net impairment loss on loans and cost of risk<sup>(1)</sup>



### Note

1. Includes expected credit losses (ECL) as per IFRS9 from 2018 onwards

## Total Reserves<sup>(1)</sup> for loans and advances divided by impaired loans



— Total Reserves for loans & advances (QR Mn) — Total Reserves for loans & advances / impaired loans

### Note

1. Includes expected credit losses from 2018 onwards (2017 includes risk reserves)

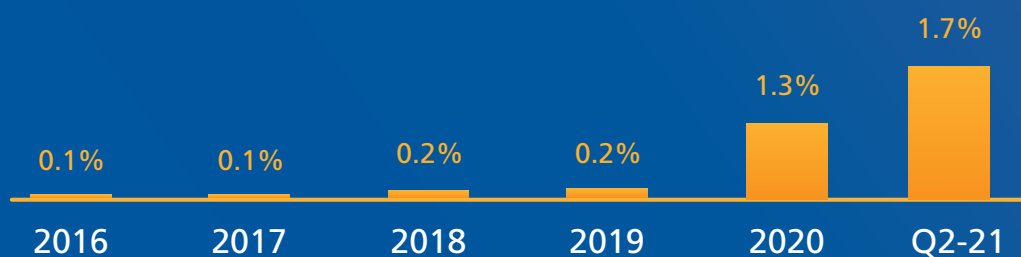
	Q2-2021				Q2-2020
	Stage 1	Stage 2	Stage 3	Total	Total
Opening Balance of ECL / impairment - as at 1 January					
Loans and advances to customers <sup>(2)</sup>	138,124	988,162	2,221,405	3,347,808	5,129,571
Investment Securities (Debt)	8,904	42,433	6,474	57,811	41,724
Loan commitments and financial guarantees	15,125	22,226	171,307	208,658	244,286
Due from banks and balances with Central Banks	1,704	310	-	2,014	8,518
	<b>163,974</b>	<b>1,053,131</b>	<b>2,399,186</b>	<b>3,616,291</b>	<b>5,424,099</b>
Closing Balance of ECL / impairment - as at 30 June					
Loans and advances to customers <sup>(3)</sup>	125,751	1,018,277	2,245,008	3,389,036	4,834,514
Investment Securities (Debt)	8,649	33,207	6,474	48,330	74,710
Loan commitments and financial guarantees	8,516	14,422	190,660	213,598	305,107
Due from banks and balances with Central Banks	3,444	2,821	-	6,265	15,792
	<b>146,360</b>	<b>1,068,727</b>	<b>2,442,142</b>	<b>3,657,229</b>	<b>5,230,123</b>

### Note

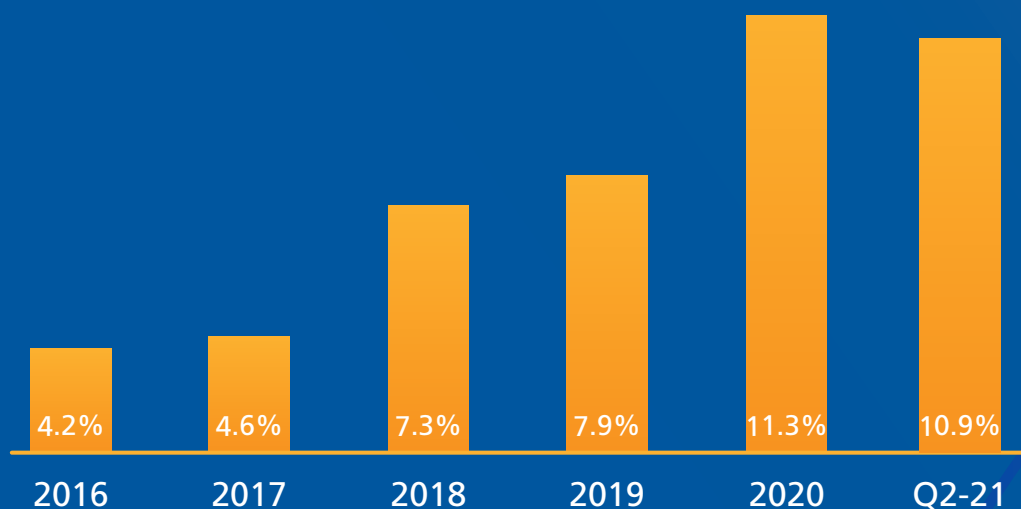
2. Stage 3 provision includes interest in suspense

# Credit Quality in Doha Bank's Core Business and by Geography

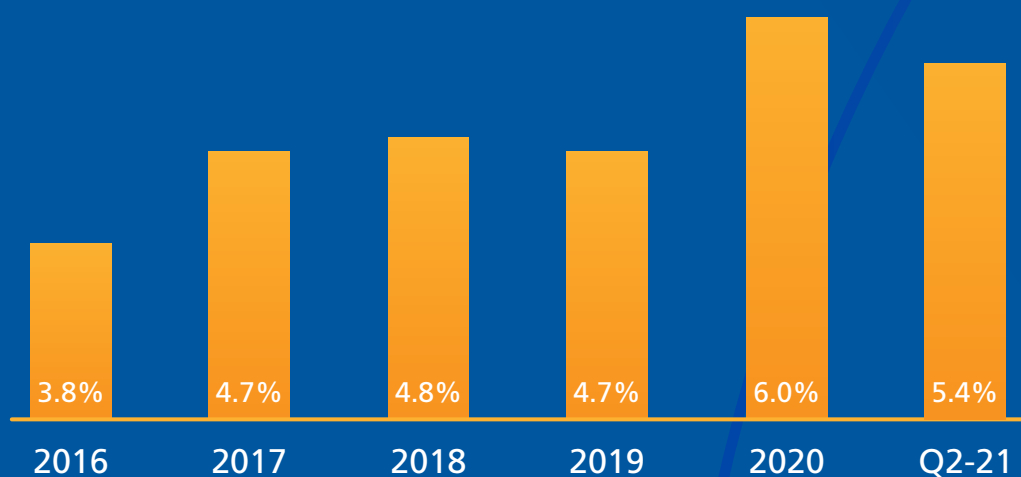
## Real Estate



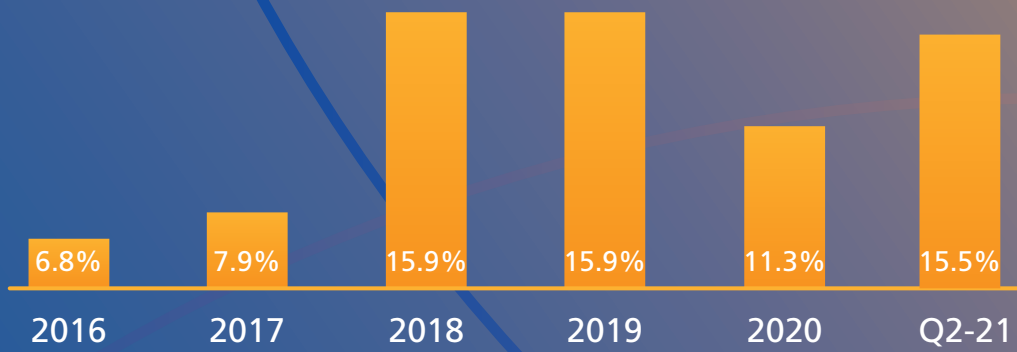
## Corporate



## Retail



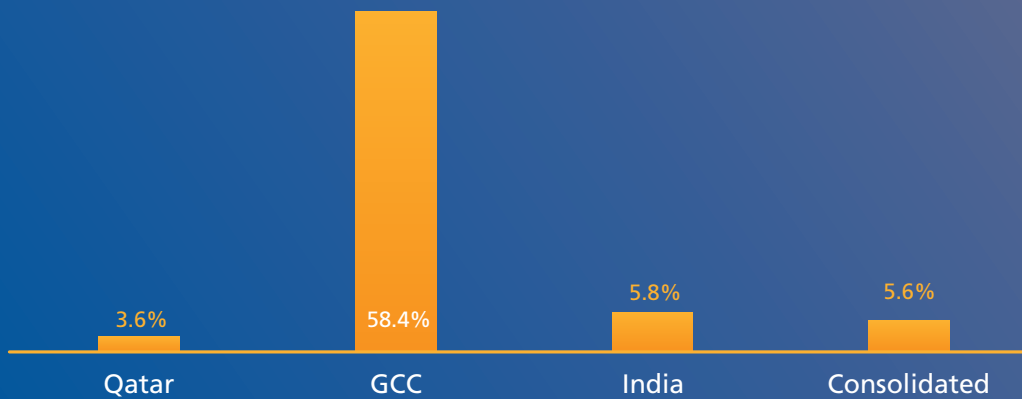
## Contracting



## Comments



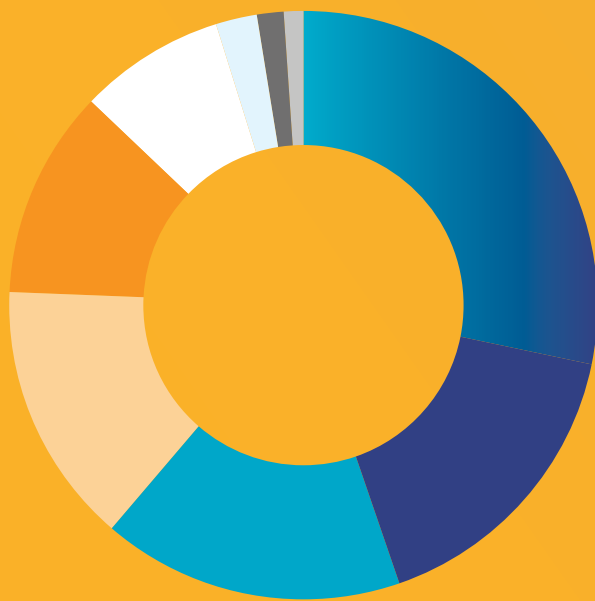
- GCC branches showing significantly high NPL%
- High Corporate and Contracting NPL % mainly attributable to exposure from GCC branches
- Qatar operation's NPL % remains low to stable



# Diversified loans and deposits

By sector – June 2021

## Loans



Real Estate	25.1%	Contract Financing	7.5%
GRE's	25.0%	Non-banking FI's	2.2%
Trade	14.2%	Industry	1.2%
Services	13.5%	Others	1.0%
Retail	10.3%		

**Net loans: QR 72.2 Bn**

## Deposits



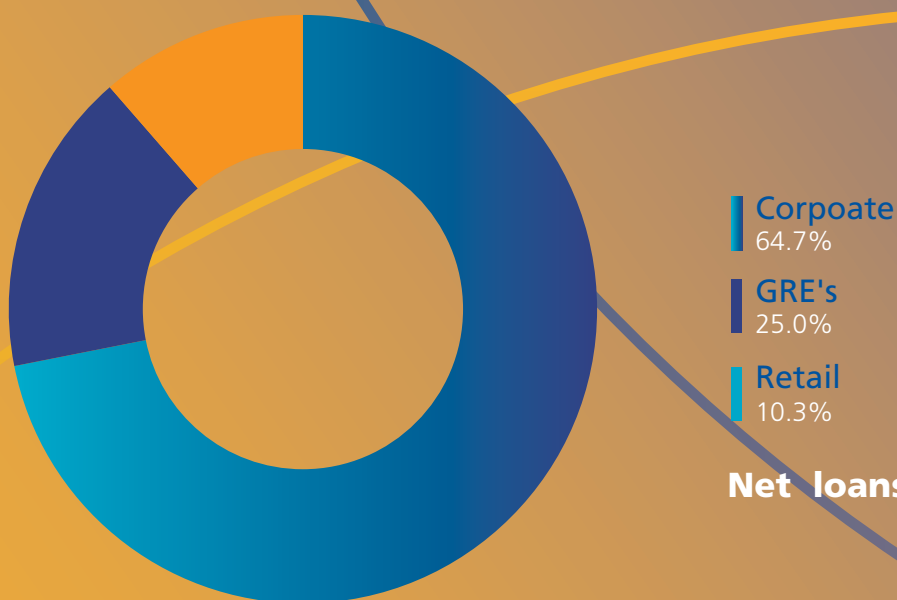
Corporate	50.3%
GRE's	27.5%
Individuals	20.4%
Non-banking FI's	1.8%

**Total deposits: QR 59.1 Bn**



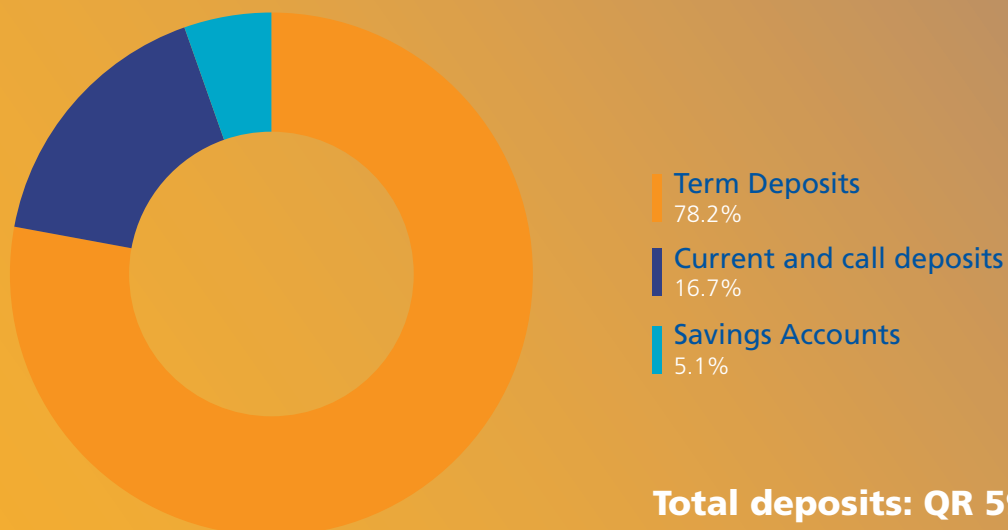
## By type – June 2021

### Loans



**Net loans: QR 72.2 Bn**

### Deposits



**Total deposits: QR 59.1 Bn**

### Comments



- Doha Bank consistently ensures it retains a diversified deposit and funding base to minimize concentration risks. The diversification is maintained by sourcing funding from several markets, products, tenors and currencies.
- Great emphasis is placed on liquidity risk management with limits to reliance on short-term funding and maintenance of portfolio of high-quality liquid assets.

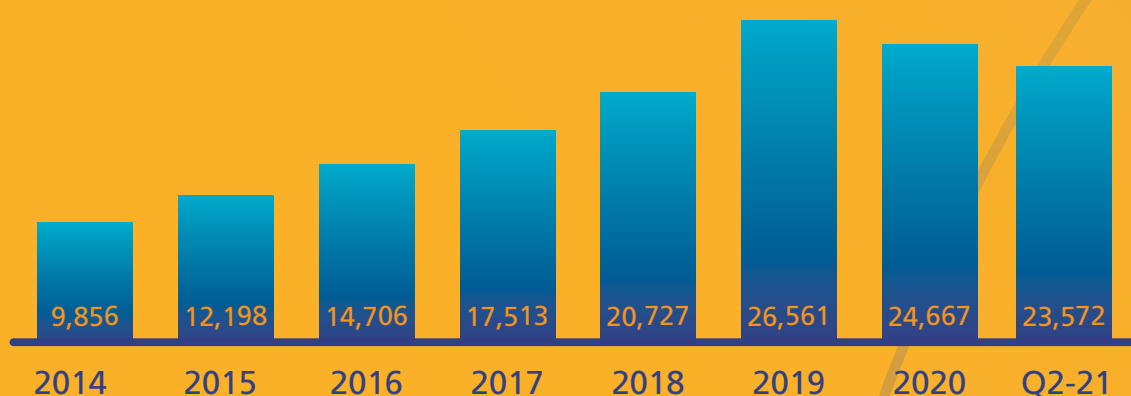
# Investment Book

## Portfolio overview



- Conservative investment philosophy.
- Low hard limits for discretionary trading / investments.
- Majority of portfolio in local sovereign fixed income, Qatar 77.7% and Qatar banks 10.1%.
- Fixed Income holdings – average purchase yield 3.69%, Bond average Duration – c.4.72 years / Net Modified Duration – c.2.96 years.
- Currently the portfolio contains QR 6.59 Bn of encumbered assets. The repo borrowing are at a weighted average cost of 0.75%.
- Equity, AT1 and other fund exposures stands at QR 673 Mn + QR 36 Mn Mutual Funds.
- Conservative investments limits linked to Tier 1 capital as per QCB; total investment 17.29%, total outside Qatar 12.77%, unlisted inside 0.22% and unlisted outside 0.47%.

## Investment portfolio – evolution (QR Mn)

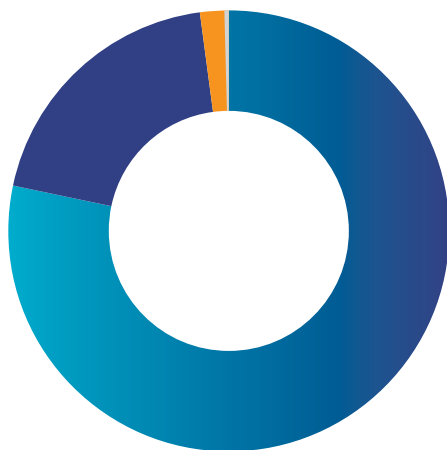


### Note

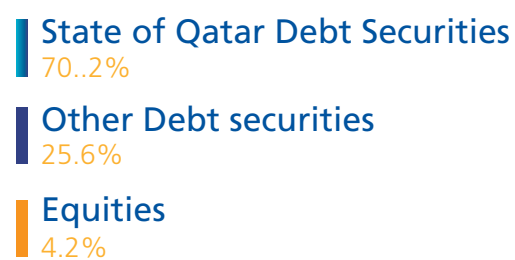
Figures are sourced from Annual Reports & Quarterly Financials

## Investment portfolio breakdown – June 2021 (%)

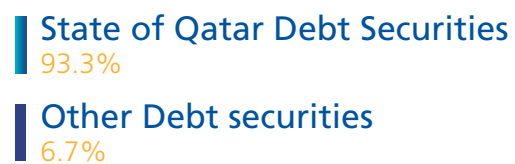
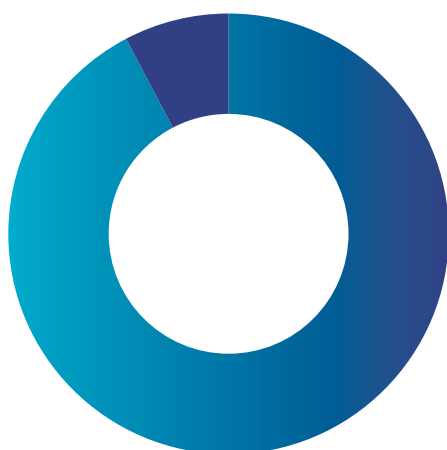
Total (QR23,572 Mn)



FVOCI (QR15,337 Mn)

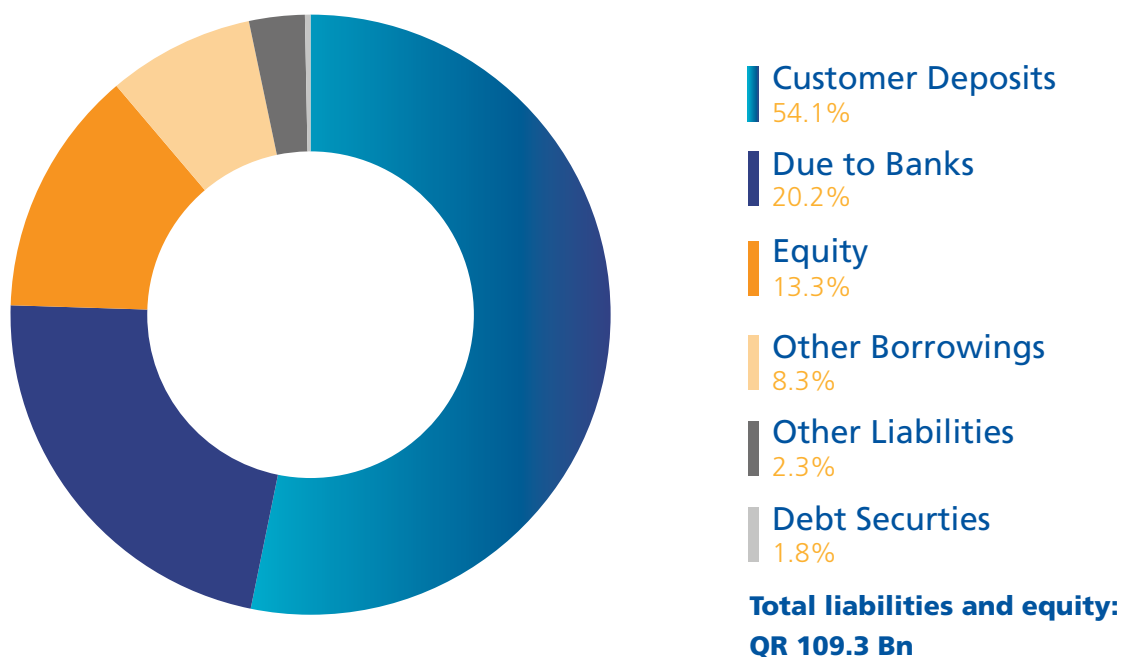


Amortized Cost (QR8,168 Mn)

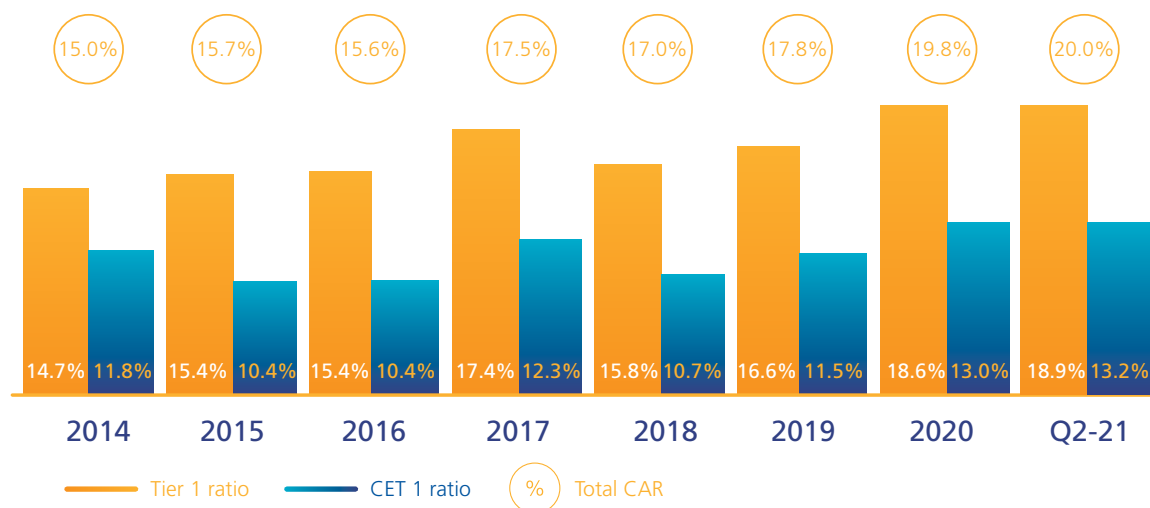


# Liquidity and Capitalization

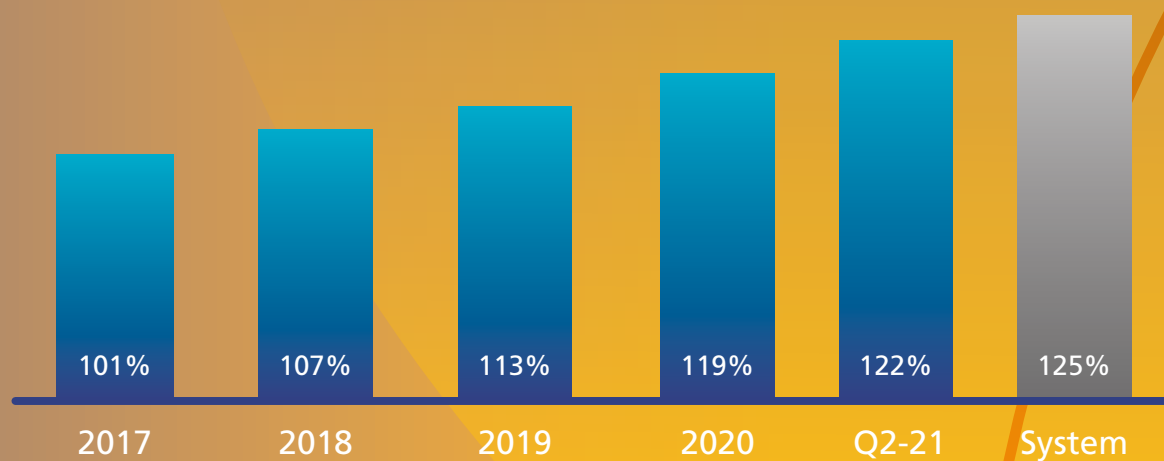
## Funding mix – June 2021



## Evolution of capital ratios

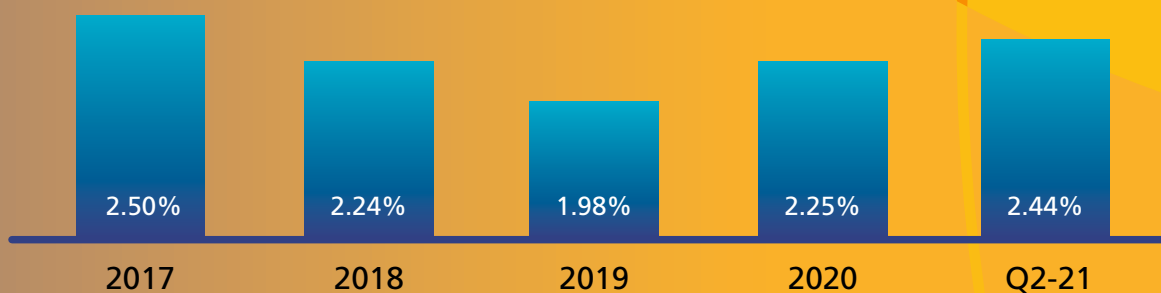


## Loan to Deposit ratio (%) – June 2021



— Doha Bank — Qatar banking system as at 30 June 2021

## Net Interest Margin – June 2021



### Comments



- Doha Bank has a strong and stable funding base with a mixture of retail, wholesale, interbank and long-term borrowings.
- Doha Bank extended duration in Q1 with a USD 500 Mn bond issuance and execution of additional syndicated borrowings. As a result, unencumbered securities increased to or by QR 2.2 Bn.
- The Bank maintains holdings of QR18.8 Bn of State of Qatar bonds

# Sustainable performance

	First Bank Live in CEMEA with Smarter Stand-In Processing (STIP)	Visa	2021
	Best CSR Bank – Doha Green Bank – Middle East	Business Tabloid Banking & Finance Awards	2021
	Best Digital Payment App 'Doha Pay'	World Business Outlook Awards	2021
	Best Commercial Bank Qatar	World Business Outlook Awards	2021
	3G Excellence in Financial Services Award	Global Good Governance (3G) Awards	2021
	3G Excellence in Corporate Governance Award	Global Good Governance (3G) Award	2021
	Best Trade Finance Provider	Global Finance	2021
	Best Digital Wallet App Qatar	International Business Magazine LLC	2021

	Outstanding Crisis Leadership – Community Award	Global Finance	2020
	The Golden Peacock Global Award for Sustainability	Institute of Directors	2020
	Best Employer Brand Award	World HRD Congress	2020
	Best Trade Finance Bank	New Age Banking Summit Awards	2020
	Best Digital Bank	Global Economics Awards	2020
	Best Trade Finance Provider	Global Finance	2020
	The Golden Peacock Global Award for Corporate Governance	Institute of Directors	2019

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